



JAMES A. NOYES, Director

# COUNTY OF LOS ANGELES

## DEPARTMENT OF PUBLIC WORKS

*"To Enrich Lives Through Effective and Caring Service"*

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IN REPLY PLEASE  
REFER TO FILE: **PJ-2**

September 23, 2003

The Honorable Board of Supervisors  
County of Los Angeles  
383 Kenneth Hahn Hall of Administration  
500 West Temple Street  
Los Angeles, CA 90012

Dear Supervisors:

**LAC+USC MEDICAL CENTER REPLACEMENT PROJECT  
APPROVAL OF CHANGE ORDER  
SPECS. 6550; C.P. 70787  
SUPERVISORIAL DISTRICT 1  
4 VOTES**

**JOINT RECOMMENDATION WITH THE CHIEF ADMINISTRATIVE OFFICER THAT  
YOUR BOARD:**

Approve and authorize the Director of Public Works to negotiate and execute a change order to Contract PW-12641 with McCarthy/Clark/Hunt, a Joint Venture, for the LAC+USC Medical Center Replacement Project, C.P. 70787, for modifications to 234 steel gussets for the Inpatient Tower structural steel in the not to exceed aggregate amount of \$450,000, as authorized by Board Order 76 of December 3, 2002.

### REASON AND SCOPE

Unforeseen condition	<input type="checkbox"/>	Regulatory agency requirement	<input type="checkbox"/>
Drawing Coordination	<input type="checkbox"/>	Previously approved scope change	<input type="checkbox"/>
Errors and Omissions	<input checked="" type="checkbox"/>		

The design of the Inpatient Tower includes gusset plates to connect diagonal cross-bracing to the building structural steel frame. During review of coordination drawings prepared by the contractor, the architect discovered that several gusset plates would interfere with future

window openings. This interference requires redesign of the gusset plates, field revision to 14 gusset plates already installed in the Tower, and additional shop fabrication for 220 gusset plates to be installed. There is a potential this change may result in a critical path delay to the project. Therefore, time is of the essence to obtain your Board's approval of the recommended change in order for Public Works to give direction to the contractor.

To mitigate this potential critical path delay, Public Works issued a \$29,400 proceed order to the contractor on August 28, 2003, to revise the coordination drawings. We subsequently issued a proceed order in the amount of \$47,662 on September 18, 2003, for the contractor to begin shop fabrication of 35 gusset plates that are immediately needed for steel erection currently underway on the Tower. These two proceed orders were issued under delegated authority by the Director of Public Works to minimize critical path delay while overall change authority for this item is being sought.

Public Works anticipates that a third proceed order, the main subject of this request, to fabricate 185 gusset plates, must be issued no later than September 29, 2003, in order to avoid additional delays. This proceed order also includes field revisions of 14 gusset plates already installed in the Tower and is estimated to be \$370,000.

The total direct cost of the work to modify the 234 gusset plates is currently estimated by Public Works not to exceed \$450,000. However, the final cost of this change can not be identified until the contractor provides a cost and schedule impact analysis and final negotiation of the change is completed with Public Works. The contractor has verbally identified a potential 30-calendar-day delay, and Public Works is aggressively working with the contractor on a recovery plan. The Chief Administrative Office and Public Works have reviewed this matter as well as the potential cost and schedule impact with the Project Advisory Committee. If, during the performance of this work, the cost is projected to exceed this amount, we will return to your Board to request a timely adjustment prior to exceeding the authorized amount. After we negotiate the final cost with the contractor, determine any project delay, and review our findings with the Project Advisory Committee, we will inform your Board of the final change order amount. This work is considered to be within the scope of the project.

## **BACKGROUND**

During its review of the contractor's drawings, the architect for the project, HOK/LBL, Associated Architects, discovered interference between the gusset plates and the windows for the Inpatient Tower. Although the original design was fully coordinated at the 100 percent Construction Document stage and did not have any interference at that time, subsequent changes required by the Office of Statewide Health Planning and Development, during final plan check, resulted in larger gusset plates. The larger gusset plates were incorporated into

the design by the architect's structural engineer but were not coordinated with the architect's other subconsultants.

During the week of August 18, 2003, the architectural team discovered the interference, and attempted to solve this problem without revising the gusset plate design. After determining that this was not possible, the architect notified Public Works on August 25, 2003, and we immediately requested from the general contractor a cost and schedule impact analysis based upon this preliminary information. The architect is contractually responsible for construction costs resulting from errors and omissions that in aggregate exceed 3 percent of the project construction value. Public Works is tracking these costs and will assess damages against the architect when and if these costs exceed the 3 percent threshold. The design was revised by the architect on a fast-track basis and was approved with an over-the-counter review by OSHPD on August 28, 2003.

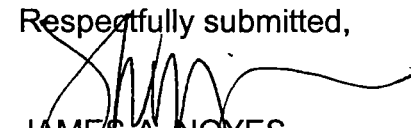
#### **CONTINGENCY BUDGET SUMMARY**


Board-Approved Contingency Budget	CHANGE SUMMARY			Impact of this Action	Remaining Contingency Budget
	Pending Changes	Executed Change Orders	Total Value of Changes		
\$ 37,630,829	\$ 3,147,552	\$ 7,495	\$ 3,155,047	\$(450,000)	\$ 34,025,782

#### **CONCLUSION**

Please return one adopted copy of this letter to the Chief Administrative Office (Capital Projects) and Public Works.

Respectfully submitted,

  
for JAMES A. NOYES  
Director of Public Works

  
DAVID E. JANSSEN  
Chief Administrative Officer

SB:cb u:\pmdiadmin\adrine\lac+usc\letters\Approve C.O.

cc: County Counsel  
Department of Public Social Services (GAIN/GROW Program)  
Office of Affirmative Action Compliance